



ONGOING INVENTORY MANAGEMENT PLAN

Level 3 will provide an inventory of service elements throughout the lifetime of our agreement. The basis for the inventory will be the information provided by DIR during ordering, further supplemented and augmented with additional data from the individual order and billing setup. Direct communication and coordination with the DIR ensures there is a complete and accurate inventory of all service elements that are part of the transition project.

Level 3 will use the transition inventory data as a tracking and reporting mechanism to show detailed status of the transition effort from receipt of the order through the final disconnection of services. Level 3 intends to deliver a sophisticated approach to tracking and managing the DIR's voice and data network services provided by Level 3 which will reside in our secure MyLevel3 Portal.

The ultimate inventory will be provided by Level 3 through tab delimited report files until such time as XML requirements are completed.

Below are Level 3's procedures for routine audits of billing against DIR and Level 3 inventory databases, notification procedures of identified inventory database discrepancies, and remediation timeframes for corrections to the inventory database.

The inventory contains all DIR services provided by the Level 3 Team. It is directly updated from the ordering module to maintain synchronization and accuracy of services ordered and feature settings. The service inventory will be updated as services are installed or disconnected, but remain in the database for a period of time. The service inventory should coincide with service billing and can be reviewed with DIR during monthly/quarterly stewardship meetings or billing audits as necessary.

The integrity and accuracy of the Billing detail is ensured by the Level 3 Team's approach that only inventory items are billed. In addition, usage cannot be billed if a corresponding inventory item does not exist. The database has been designed to assist in auditing that there is not a discrepancy between the sum of the invoice detail and the summary records and should result in minimal billing disputes by the DIR.

In the event that discrepancies are found within the inventory, Level 3 will work to reconcile using other tools at our disposal such as our Customer Analytics Dashboard (CAD) and our Service Image Lookup Tool (SILT). Each of these provides an independent view of customer information, including service inventory. On a quarterly basis, the account team and Customer Care Manager (CCM) will perform internal reviews of CAD, SILT, and our Enhanced Portal checking for completeness and accuracy. If any discrepancies are noted based on these reviews, or if DIR provides evidence of a discrepancy, Level 3 will engage the Technical Service Manager assigned directly to the DIR team to conduct an audit. If such a discrepancy was discovered by Level 3, DIR will be contacted via both voice and email to create awareness of the event. DIR will participate fully with the Level 3 team to identify the source of any such issue.

Level3 will resolve issues within one billing cycle (30 days) of discovery of discrepancy. Any billing corrections will be debited or credited to the DIR account in the month following resolution.. If issues are not resolved within the 30 day period, the account team will escalate internally until successful resolution is achieved.

In addition to this information being available on the MyLevel3 Portal, all Texas DIR inventory information will also be available to DIR's Program Management team via an internal tool. The inventory information contained in this internal Level 3 tool can be presented to Texas DIR at any time during the Stewardship

meetings or during Billing Review meetings. Discrepancies can be noted, discussed and corrected before the next review period at no additional cost to the DIR. As services are awarded and orders place the inventory will grow in proportion to those services.

Examples of reporting print screens follow:

